

Analysis of Samyang Instant Noodle's Market in Indonesia Using The Impact of Uncertainty Avoidance by Hofstede's Cultural Dimensions

Septyanto Galan Prakoso

Institute of Political Science, National Sun Yat-sen University

Email: septyantogalan@yahoo.com

Randhi Satria

International Relations Department, Universitas Sebelas Maret

Email: ransatria@staff.uns.ac.id

Nesya Cesari Kinanti

International Relations Department, Universitas Sebelas Maret

Email: nesyack11@gmail.com

Retnaningtyas Puspitasari

International Relations Department, Universitas Sebelas Maret

Email: retnantyass@gmail.com

Abstract

Indonesia as the second-largest country in consuming instant noodles in the world surely enacts it to become a lucrative market for instant noodle manufacturers, including Samyang Foods from South Korea. The emerging popularity of the Korean Wave or Hallyu Wave has further encouraged the penetration of Samyang Foods products into the palate of Indonesia people. However, the issue of the halal logo on Samyang instant noodles began to arise in 2016 and this affected the sale of Samyang Foods products in Indonesia, bearing in mind 85% of Indonesians are Muslim. The issue of a halal label on Samyang instant noodle is indeed a worthy event to be researched and discussed. This article will talk about the impact of uncertainty avoidance in the acceptance of Samyang instant noodles by Indonesian people and the potential market of Indonesian instant noodle for Samyang Foods. The subject that the author examines is through journals article, books, official sites, and internet articles. A qualitative descriptive method is used by the author to analyze the case. The result of this study is expected to provide an overview of the uncertainty avoidance's contribution to the acceptance of Samyang instant noodles by Indonesian people. Indonesian instant noodle market will be elaborated with the consideration of uncertainty avoidance aspects, such as trust and loyalty. In conclusion, this article shows that uncertainty avoidance has a significant impact on Samyang instant noodle consumption in Indonesia and serves the analysis of the huge potential for the market expansion of Samyang Foods.

Keywords: halal label, Indonesia, Samyang instant noodle, Samyang Foods.

Abstrak

Indonesia sebagai negara kedua terbesar dalam konsumsi mi instan di dunia, menjadikannya sebagai pasar yang menggiurkan bagi produsen mi instan, tak terkecuali Samyang Foods dari Korea Selatan. Meningkatnya popularitas budaya Korea Selatan atau yang dikenal sebagai gelombang Hallyu, semakin mendorong penetrasi masuknya produk Samyang Foods ke dalam selera masyarakat Indonesia. Namun isu logo halal pada produk mi instan Samyang mulai mencuat di masyarakat pada tahun 2016 dan hal tersebut berpengaruh pada penjualan produk Samyang Foods di

Indonesia, mengingat 85% penduduk Indonesia menganut agama Islam. Permasalahan mengenai label halal pada mie instan Samyang adalah salah satu topik yang layak untuk diteliti dan didiskusikan lebih lanjut. Artikel ini akan membahas mengenai dampak dari uncertainty avoidance terhadap konsumsi mie instan Samyang oleh masyarakat Indonesia dan potensi yang dimiliki pasar mie instan Indonesia bagi Samyang Foods. Topik dalam artikel ini diteliti berdasarkan data dan informasi dari berbagai artikel jurnal, buku, laman resmi, dan artikel internet. Sedangkan dalam analisis penelitian, penulis menggunakan deskriptif-kualitatif untuk menganalisis permasalahan yang diangkat. Hasil dari penelitian ini diharapkan dapat memberikan gambaran mengenai kontribusi konsep uncertainty avoidance terhadap keputusan konsumsi mie instan Samyang masyarakat Indonesia. Potensi pasar mie instan di Indonesia tersebut disajikan dengan mempertimbangkan aspek-aspek yang terkandung dalam konsep uncertainty avoidance, seperti kepercayaan dan loyalitas. Dengan demikian, artikel ini menyimpulkan bahwa uncertainty avoidance memiliki dampak yang signifikan terhadap keputusan konsumsi mie instan Samyang oleh masyarakat Indonesia dan adanya potensi besar atas pasar mie instan di Indonesia bagi Samyang Foods.

Kata kunci: label halal, Indonesia, mie instan Samyang, Samyang Foods.

INTRODUCTION

The emerging popularity of Korean Wave or Hallyu Wave has started since the end of the 1990s, brings together the massive expansion of South Korea's products, such as skincare, telecommunication, music, food products, etc. Indonesia is one of many states affected by the popularity of Korean Wave, especially regarding the food products from Samyang Foods or known as Samyang Instant Noodle by Indonesian people. Instant noodle, since the introduction of *Supermie* in 1968, has taken a significant place in the Indonesian diet, it even goes as far as the replacement for the proper meal (Hernitaningtyas, Gitomartoyo, & Kautsar, 2018). Even though originally, noodle is not a part of Indonesia's culinary tradition, but surely it has emerged as an important diet of Indonesian people. Moreover, Indonesia has emerged as the biggest instant noodle consumption in the world. The consumption of instant noodles is slowly growing even though the total consumption in Indonesia had ever decreasing around 2014-2015. Based on data compiled by the World Instant Noodle Association (WINA), the total consumption of instant noodles in Indonesia is estimated to reach 13.2 billion packs in 2015. The number increased in the next year which reached 14.8 billion packs in 2016. (Dewi,

2016). This means that instant noodle has a strong position in Indonesian preference in the food market.

Its attraction, generally, because its traits as a food with little time-consuming in cooking, portable, has lots of flavors, and can be paired up with vegetables, egg, sausage, etc. While a specific reason for the attraction of Indonesian people toward instant noodle is the availability over all-region, affordable for every society, has a lot of varieties of flavor, practical meal, and especially the strong advertisement by a certain brand of instant noodle which make the Indonesian consumer aware (Indonesia Investments, 2016). Even though the reasons sound convincing but the arguments will be incomplete because every single person has their preference to consume instant noodles. But those reasons at least able to sum up the generic reason for Indonesian people who consume instant noodles.

The popularity of Samyang instant noodles started when Samyang Foods introduced *Buldak Spicy Chicken Ramen* in South Korea in 2012. This type of instant noodle highlighting the taste of spiciness in it. Samyang *Buldak Spicy Chicken Ramen* received an enormous reaction from customers abroad due to high exposure from the YouTube community, for example from the *making* (eating and broadcasting) activity which uses Samyang instant noodle as the menu.

Another factor which contributes to the popularity of Samyang instant noodle is the Samyang Noodle Challenge (Khairani, 2018). Samyang Noodle Challenge is a challenge to eat a super-spicy Samyang instant noodle, specifically the Buldak Spicy Chicken Ramen one. Then in 2016, the popularity of Samyang instant noodles hit South East Asia's market and the sales of Samyang instant noodles instantly increasing (Da-Sol, 2018). Badan Koordinasi Penanaman Modal (BKPM) stated in 2015, the food industry occupies the third largest contributor to investment, reaching IDR 6.42 trillion. Based on data from the Ministry of Trade, in 2016, the total number of instant noodle imports of Indonesia is US\$ 13.55 million, where South Korea dominated the import values of US\$ 10.11 million with a volume of 2.601 tons of instant noodles (Detik Finance, 2017). Although South Korea dominates the import value of instant noodles in Indonesia, the local products are still the main preference for Indonesian people's plates. Based on the previous explanation, the total consumption of instant noodles in Indonesia is estimated to reach 14.8 billion packs in 2016, but the data from Bloomberg in 2016 showed that Indofood Sukses Makmur still controlled the market share around 70.7% of instant noodles in Indonesia, followed by Wingsfood by 16.2%, Jakarana Tama by 2.8%, ABC President by 1.8% and others by 7.5% (Databoks, 2017). Samyang instant noodle entering the Indonesian market in 2016 which is imported by PT. Korinus and distributed by PT. Heinz Royal Jaya as the subsidiary company of Samyang Foods in Indonesia.

The rose in Samyang instant noodles in Indonesia also somewhat in coherence with the increasing number of Indonesian who become K-Pop fans. As they are idolizing celebrities and Korean culture in general, Korean food products (both slow-

cooked and instant) also has been experiencing increased demand. The adoration of Korean culture waves, or simply known as *Hallyu*, somehow underlines the importance of other assets from Korea, such as food products, which at first deemed complimentary towards the main commodity itself (culture and entertainment), until it has its market. Nowadays, it even is safe to say that Korean food products, especially the iconic ones, such as *kimchi*, *tteokbokki*, *bulgogi*, *samgyetang*, etc. have their demand in Indonesia. The increased number of Korean restaurants, authentic and fusion one, in most of the big cities in Indonesia, has proved this motion. Regarding Korean instant noodles, it also experienced a significant increase in demand to the point that small convenience stores sell it. Korean instant noodles, especially Samyang, now are very common and can be easily found in Indonesia. Other brands besides Samyang also made their reputation and popularity in Indonesia domestic market, namely Nongshim Shin Ramyun, Nongshim Kimchi Ramyun, Paldo Namja Ramyun, Paldo Cheese Ramyun, and so forth. Still, it is safe to say that Samyang with the variant Buldak Spicy Chicken Ramen is the most popular one.

However, the fever of Samyang instant noodles in Indonesia got disrupted with the rising issue of a halal label on its product. Indonesia with a large number of Muslim tends to have a high demand for halal labels on the food products to secure the edibility of the product for Muslim citizens. For example, Yayasan Lembaga Konsumen Indonesia (YLKI) during the period of uncertainty of the halal label even demanded the withdrawal of Samyang instant noodle from Indonesia. The condition consequently hampered the sales and market expansion, especially since the Indonesian instant noodle's market estimated to have 4.4 trillion won (around US\$ 3.9 million) market value in a year (Da-Sol, 2018).

Based on the fact above, it is clear that Indonesia and South Korea have a different

perception regarding the ingredients of food, especially the one who may challenge the halal status. This condition is related to religious beliefs in both countries which later affecting the acceptance of certain products. Later, from the standpoint of uncertainty avoidance, it will show the potential Indonesian instant noodle's market for Samyang Foods. Thus, this article analyzes further the impact of religious beliefs among Indonesian people, especially Muslims, with the sales of Samyang instant noodles in Indonesia. Besides, this article will also analyze the potential market of Indonesian instant noodle for Samyang Foods with uncertainty avoidance indicators.

Literature Review

Religion and National Culture

Few scholars try to define culture, for instance, Kroeber and Parsons (1958, p. 583) describe culture as transmitted, created content, and patterns of value, ideas, and other symbolic-meaningful systems as elements which shape the human behavior and the artifacts produced from the behavior. While Hofstede (2001, p. 9) stipulates culture as the collective programming of the mind which distinguishes one member of a group to another. In further studies, national culture has been suggested as one of the characteristics which may manifest itself in various approaches to search and purchase decision (Money & Crotts, 2003). Furthermore, national culture is also one of many layers related to international marketing research (Cavusgil, 1998) and has been used to explain the differences in marketing management decision making (Tse, Lee, Vertinsky, & Wehrung, 1988). Tse and colleagues assert that culture may affect the validity of certain behavior in several ways (Tse, Lee, Vertinsky, & Wehrung, 1988).

These are the detailed explanation of Tse and colleagues which related to this research, (1) Cultural norms may influence the problem definition by providing the standard operating procedures and program to process the information. In this context, the halal label which is the main concern of the issue in this article emerges from Islamic law. The halal label is the standard given for what is religiously acceptable or lawful for Muslims to consume. (2) Some cultures encourage their people to take a strong position on alternatives. This explains that every Muslim should follow Islamic law concerning "which is halal or which is haram" since it is the absolute certainty from God (Omar, Arifin, DeenMohdNapiah, & Abdullah, 2012). (3) Culture may affect the business decision by influencing the risk-taking pattern in general. This is true because, in Islam, one must certain about which one is halal and which one is haram to consume. If one is not certain then better avoid it to safeguard his religion and honor (Omar, Arifin, DeenMohdNapiah, & Abdullah, 2012).

Religion, Uncertainty Avoidance, and Cross-Cultural Market

There are many studies which have discussed the correlation between the cultural dimension to certain phenomenon in the globalization world nowadays using the Hofstede's model (Kristjánsdóttir, Guðlaugsson, Guðmundsdóttir, & Aðalsteinsson, 2017; Luthar & Luthar, 2002; Matusitz & Musambira, 2013; Mooij & Hofstede, 2010; Sánchez-Franco, Martínez-López, & Martín-Velicia, 2009; Zhang & Begley, 2011). One of the cultural dimensions addressed by Hofstede is uncertainty avoidance and as one of the cultural traits, it can be described by the level of tolerance of certain society toward ambiguity and uncertainty (Wennekers, Thurik, Stel, & Nooderhaven, 2007). Studies about the uncertainty avoidance has been sought and done by few scholars, whether it is against food marketing or other else, (Seo, Phillips, Jan, & Kim, 2012; Tse &

Crotts, 2005; Ndubisi, Malhotra, Ulas, & Ndubisi, 2012; Hancioğlu, Doğan, & Yıldırım, 2014; Money & Crotts, 2003; Qu & Yang, 2014) to contribute to this literature. Uncertain to the future is a basic fact of human life and human try to cope with it through technology, law, and religion. Religion to Hofstede (2001) is all revealed knowledge of the unknown and it helps humans to accept the uncertainties in which we cannot defend ourselves against because religion is the giver of absolute certainty. With religion, those who have a high level of uncertainty avoidance believing in ultimate truths and grand theories of their religion, meanwhile the low level rather believes in philosophy and science (Hofstede, 2011). Religion itself is a part of the cultural dimension which may influence the level of uncertainty avoidance in a country. Moreover, if the religion has a dominant power or complete power in a country, it will reinforce the values which led to its adoption (Hofstede, 2001) in the body of the nation.

In terms of marketing, uncertainty avoidance related to loyalty which means that the customer's loyalty will depend on the level of their uncertainty avoidance (Ndubisi, Malhotra, Ulas, & Ndubisi, 2012). Hwang and colleges (2012) found that the degree of uncertainty avoidance influences the purchase decision. Yang and Qu (2014) investigate the direct impact of relevant cultural values, through the interaction between cultural values and firm-level effects, on supply chain collaboration (SCC). To analyze that phenomenon, they center their study on uncertainty avoidance and social trust at the country level from 24 countries. The study found out that businessman, notably the multinational firms, should consider national culture in decision making. Yang and Qu also stressed in the same study that the firm which plans to develop a global supply chain [cross-

cultural-market] should not apply the practice used in one country to another. Instead, they should develop appropriate strategies following the culture of the country which is the target market.

Even though, there are few studies of uncertainty avoidance. The number of studies of uncertain avoidance in specific to its relation to religion is still small. Thus, this paper aims to contribute to the study of uncertainty avoidance. This paper discusses the influence of uncertainty avoidance towards Samyang instant noodle's market in Indonesia as religion affiliated country. The discussion will be divided into two parts. First, the paper discusses the relation of Indonesia as religion affiliated country, namely Islam, with cultural elements, namely uncertainty avoidance theoretically. Second, the paper discusses the impact of uncertainty avoidance in the culture of Indonesian people as religion affiliated country to Samyang instant noodle's market.

Research Method

Based on the introduction above, this research analyzes the impact of religious beliefs among Indonesian people, especially the Muslim one, towards the sales of Samyang instant noodles in Indonesia. To analyze the issue, the author used the cultural dimension, specifically the uncertainty avoidance model by Geert Hofstede. This article used a descriptive qualitative method to analyze the issue related. According to Sillalahi, the purpose of descriptive research is to answer the question of "how" by trying to portray and deliver the facts clearly, thoroughly and completely the relation between one symptom to another in society as general (Sillalahi, 2009). Whilst, qualitative research refers to the empirical data which is obtained qualitatively, represented by the form of a collection of tangible words and is not a series of numbers (Sillalahi, 2009).

The data used in this paper come from several sources. The internet article including Hofstede Insight, World Instant Noodle

Association, and Databooks. While the book reference used is from Hofstede's Book: Culture Consequence 2nd Edition. The data for cultural dimension, namely uncertainty avoidance, between Indonesia and South Korea are from Hofstede Insight and Culture Consequence 2nd Edition. While the market size data for Indonesia's instant noodle market derived from the World Instant Noodle Association and Databooks. Other resources to support the argument of this paper are found within the article journal which discusses the relation of uncertainty avoidance against, such as, the foreign resident choice for Korean Foods, supply chain collaboration, international travel vacation, customer loyalty, entrepreneurship activity, etc. Further detail regarding relevant article journals cited in this paper is transcribed in the references section.

RESULTS AND DISCUSSION

Religion Affiliation and Uncertainty Avoidance

Indonesia is one of the religion-affiliated countries, particularly Islam affiliated (Worley, 2016). As a religion-affiliated country, the halal label is not only a secondary choice but has become a crucial matter on the spiritual level of Muslims in Indonesia. Halal (حلال, *halāl*, *halaal*) is a designation in Islamic Arabic which means permitted or lawful (Ashadi, 2015). For Muslims, especially in Islamic countries, this term refers to what is allowed and what is not by the Islamic law while for non-Muslim, and non-Islamic countries, this term usually refers to what is edible for a Muslim. The assurance of the halal label on every product in Indonesia is protected by Constitution Number 33 the Year 2014 (Kemenag, 2016).

Based on the Pew Research Center, South Korea, the country where the Samyang instant noodle originated, is one of

the countries with no religion-affiliated (Worley, 2016). South Korea's government does not prohibit the citizen to hold onto certain beliefs or religion nor force them to have one. South Korea's constitution, particularly on Article 20 about Freedom of Religion, stated that no state religion that is being recognized since the church and state are separated from one another (Berkley Center). It indicates that South Korea does not consider certain religion's value in their daily activity, whether individually or nationally. Thus, being said, Indonesia and South Korea have a different cultural dimension regarding the value of religion. Halal status in South Korea is not the main consideration for their consumption since there is no tendency to do so.

Since South Korea does not consider certain religion's value in their daily activity, this situation leads to the production of goods, which at first targeted to the local, will be in South Korean people's favor. In this case, Samyang instant noodle which originated from South Korea does not consider their halal status because their early target is the local people and the taste aimed is local spicy food lovers (Da-Sol, 2018). When Samyang instant noodle enters the Indonesian instant noodle's market, the halal label on the product will be an important consideration.

The situation above according to Geert Hofstede is a part of the cultural dimension between nations, specifically the cultural dimension between Indonesia and South Korea. Geert Hofstede states that cultural dimension is how some elements could explain the different behavior between people in certain culture areas or nations (Oregon Government). One of the elements which are used in this paper to explain the difference life-value of people from both countries is uncertainty avoidance. The culture of uncertainty avoidance is to evade an ambiguous situation. People in this culture tend to seek structure in their organization, institutions, and relationship. The structure enables them to interpret and predict an event easier and clearer (Hofstede, 2001). According

to Hofstede, uncertainty avoidance is classified into two types. First is high uncertainty avoidance which characterized by the condition of having standardization, more structuring of activities, more written rules, more specialist, and less willingness to take the risk. The second is low uncertainty avoidance which is familiar with the condition of having less structuring of activities, less ritualistic behavior, fewer written rules, more generalist, variability, and willingness to take the risk and engulf the change.

Notwithstanding Indonesia is an affiliated country, especially Islam affiliated, Indonesia is not a one-religion-based country or an Islamic state. The government officially recognized six distinct faiths/religions in Indonesia and most populations identify themselves as Muslim which accounts for over 87% of its total population (Perkins, 2019). The majority manifest themselves into influence in Indonesia's public affairs and government, social, economic, as well as the private life (Perkins, 2019; Kroef, 1958). One prominent example of Islam's influence in Indonesia's public affairs and the government is the presence of Majelis Ulama Indonesia (MUI).

Majelis Ulama Indonesia is the top Islamic cleric body responsible in verify and put a halal label on every product which enters and being distributed in Indonesia. This fact was consistent with the statement of Hofstede. Hofstede asserts that ways of coping with the uncertainties in life belong to the cultural heritage of the societies and they will be transferred and reinforced into the basic institutions, such as the state (Hofstede, 2001). Religion, videlicet Islam, in Indonesia is the giver of certainties in regards to lawful food to consume for the Muslim. All of the product which originated from non-halal meat and non-slaughtered animals are considered haram (Omar,

Arifin, DeenMohdNapia, & Abdullah, 2012). Thus, it can be said that the halal and haram in the food product is not only about the ingredient, but also the process of how it is done. In this case, the role of Majelis Ulama Indonesia comes into play.

Early time, before Samyang Foods reassures the halal status of Samyang instant noodle in Indonesia, Samyang instant noodle circulated with no assurance of safe consumption for Muslims. The uncertainty of the halal status of Samyang instant noodle certainly posed as a threat to Indonesian Muslim's life value which based on lawful food in Islamic law. Thus, as the response of the uncertain halal status on Samyang instant noodles, Indonesian Muslims chose not to consume Samyang instant noodles all together until Majelis Ulama Indonesia (MUI) verify the halal status of the product. This behavior is harmonious with the statement of the Prophet (s.a.w), which narrated by An-Nu'man bin Bashir, *"...whoever indulges in these (suspicious) doubtful things bravely, is likely to commit what is haram"* (Al-Bukhari, 1998). As a consequence of this behavior, the sale of Samyang instant noodles in Indonesia to 30% since the issue of the no-halal label is concerned (Puspita, 2017) by the Muslim in Indonesia which accounts for as the majority of the population.

The need for reassurance for the lawful food through the halal label on the food consumed is an indication of high uncertainty culture. People with high uncertainty cultures tend to limit their selection of new food (Tse & Crotts, 2005). In this context, the members of a culture, in this case, is the Islam community in Indonesia, feel threatened and anxious to consume the ambiguous status of lawful food in the product of Samyang instant noodle which does not have the halal label yet, at that time.

For any company or MNC such as Samyang Foods that willing to penetrate Indonesia's market, to get halal certification by MUI, it needs to comply with several conditions for the standard of halal product in Indonesia. The

standard concluded a product which does not contain pork or any forbidden substance such as animal blood in ingredients, derived from an animal slaughtered with Islamic Shari'a, and separate the products with the ones that contain pork throughout the process of storage, distribution and sales (Mughni, 2013). Besides the quality of the product, to get halal certification, a company also needs to carry out some regulated procedures from MUI. At first, the company needs to do the registration and pay fees as much as Rp 200.000,- (two hundred thousand rupiah), submit documents regarding to the product, conduct some questionnaires, and furthermore will be held some meetings with the auditor and fatwa commission until the halal certification can be included in the desired product (LPPOM MUI). This proved that halal logo merely not just for a formality, instead, it is necessary as one of the main values in the teaching of Islam, therefore certain products need to go through a series of procedures and standardization.

The standard applies to protect Indonesian consumers who are dominated by Muslim communities and is stated in Constitution Number 33 the Year 2014, that to guarantee every believer to worship and run religious teachings, the state is obliged to provide protection and guarantee toward halal products consumed and used by the community. Constitution 33 article 1 also states that besides MUI, there is a body formed by the government to guarantee halal products, namely the Badan Penyelenggara Jaminan Produk Halal (BPJPH) and Lembaga Pemeriksa Halal (LPH) which conducts an inspection and/or testing if the product is halal or not (Kemenag, 2016). This surely exhibits that not only Indonesia has written the rule for the lawful food for the Muslim, but also has specialists refer to the distribution of the halal product in the country.

Even though Indonesia is a religion-affiliated country, known halal food still can be found but also with its label. In Indonesia, the circulation of drugs and food all over the country will be supervised by Badan Pengawas Obat dan Makanan (BPOM). To ensure that the public consumes products that following the prerequisites of safety quality standards, BPOM itself has strict standards for imported foods that penetrating Indonesia's market. In June 2017, some of the instant noodle brands from South Korea, included Samyang, are found violating the regulation by selling a pork-contained product without the label included. Samyang products have registered to BPOM but when the products been distributed, discrepancies between the registration process and findings in the field were found. After DOIng post-market supervision in 2017, BPOM discovered that several Samyang products, U-Dong and Kimchi variants, contained pork DNA fragments but didn't put the food labels that contain pork in the product. This action violates the regulation of the head of BPOM number Hk. 03.1.23.06.10.5166 concerning the inclusion of information on the origin of certain ingredients, alcohol content, and expired date on the labeling of drugs, traditional medicines, food, and food supplements. Regarding the issue, BPOM could withdraw marketing licenses to importers to protect consumers from imported food products that have violated the regulations (Ramdhani, 2017). This phenomenon proved how food labels in Indonesia are as important where it has a crucial position to the point that it represents at how the people consume a product as a culture teaching that has rooted deep to the living of its people. The halal label in Samyang instant noodle represents the demands of Indonesian Muslims to standardized the food and in dire need of written rules to which to consume and to which not. Food that is safe to consume, at the religious level, for Indonesia Muslim must have the halal label stamped on it.

Even though the official website of Hofstede, Hofstede Insight, shows the opposite

fact. As claimed by the Hofstede Insight, Indonesia scores low in preference for avoiding uncertainty while South Korea scores higher and belongs to one of the most uncertainty avoiding countries (Hofstede Insight). In this article, the main issue is the culture of religion, specifically Islam, which affected the choice of consumption of Indonesian Muslims. The low uncertainty avoidance between Indonesia and South Korea presented by The Hofstede Insight may owe to the fact that the level of uncertainty avoidance of Indonesia lays on the national level and as a nation, Indonesia has a variety of cultures. While this paper underlines the impact of religious beliefs among Indonesian people, especially Muslims, towards the sales of Samyang instant noodles in Indonesia from uncertainty avoidance.

Uncertainty Avoidance and the Potential Indonesian Instant Noodle's Market for Samyang Foods

As the emerging nation with the biggest consumption of instant noodles in the world, the Indonesian instant noodle market offers a potential instant noodle market expansion. In 2017, the World Instant Noodle Association (WINA) placed Indonesia as the second-biggest consumer with 12.62 billion servings of instant noodles after China (World Instant Noodle Association, 2017). Furthermore, based on the survey held by Kantar Worldpanel in 2016 almost all of the Indonesian people, averagely, purchase three to four times packages of Indomie (the most popular instant noodle brand in Indonesia) in a month (Murhayati, 2017). In Indonesia, instant noodle popularity is taken into another level by the Indonesian local entrepreneur. Instant noodles aside known as the home kitchen incline to more commercially inclined cooking spaces

(Hernitaningtyas, Gitomartoyo, & Kautsar, 2018).

Nowadays, instant noodle is included as one of the menus in café or street-side stalls (*warung*) in Indonesia. For instance, Warung Abang Adek, Warunk Upnormal, Café Siang Malam, and Akademie. Each business mentioned has its way to serve instant noodles, for example, combine it with salted egg or spiciness. Most of them, usually, use local instant noodle in their business, such as Indomie and Mie Sedaap (Hernitaningtyas, Gitomartoyo, & Kautsar, 2018). The remarkable popularity of instant noodles in Indonesia, to the point of it being combined with the trendy food in Indonesia, is note-worthy. In this case, Samyang Foods, the manufacture of Samyang instant noodle, who has entered the Indonesian instant noodle market with their famous Buldak Spicy Chicken Ramen or known as well as *buldak-bokkeum-myeon* (불닭볶음면), needs to consider this potential.

Indonesia with its character as a high level of uncertainty avoidance will emphasize the matter of trust. Indonesian people tend to care about the brand when they want to purchase something; they will look for the well-known product of instant noodles (Hernitaningtyas, Gitomartoyo, & Kautsar, 2018). This situation fits perfectly with the description of high uncertainty avoidance society where they are less willing to take a risk. The unwillingness means that once they trust one brand, they will be loyal to it for an indefinite time. Also, those with high uncertainty avoidance tend to avoid trying new [product] cuisine and intended to use the product [or services] again (Tse & Crotts, 2005; Choi & Kim, 2006). In this context, Indonesian people have the potential for customer loyalty. Customer loyalty can be understood as the type of customer who deeply committed to repurchase a preferred product or service in the future even though there is a condition for them to switch preference (Oliver, 1999). This kind of behavior will profitable for

the business who can obtain the trust of the Indonesian people. For example, Indomie, as one of the most popular instant noodle brands in Indonesia, is placed on the first number for Brand Footprint 2017 (Murhayati, 2017). This rank makes Indomie the most chosen brand by Indonesian consumers and has been maintained for quite a long time.

Although Indonesia has the tempestuous of the instant noodle market, it does not mean that Samyang Foods can enter the market without any difficulties. Aside from the halal label on Samyang instant noodles, Samyang Foods should bear in mind that Indonesia has its trustful brand of instant noodles. Indomie from Indofood and Mie Sedaap from Wings Food have been around for quite a long time and have established their loyal customers. Indonesia as a high uncertainty avoidance society can be brought in the case of Indomie and Mie Sedaap. Indonesian people will seek trust. When they can gain it, they will return the trust with loyalty. This means while expanding its business in Indonesia, Samyang Foods needs to work hard to win Indonesian people's trust with their product. Moreover, after the incident of halal status, trust needs to be highlighted as the most important strategy for Samyang Foods. Nonetheless, besides the issue mentioned above, Samyang Foods should be able to identify the flavors of Indonesian like and able to implement it without losing their product's specialty since it is the one who attracts the worldwide as well as Indonesian people.

CONCLUSION

Indonesia as the Islam-affiliated country means that some of the people will put a high consideration regarding halal food. Meanwhile, South Korea, where the Samyang instant noodle originated from, is a no-religion affiliated country. This

condition shows that Indonesia and South Korea have a difference in their cultural dimension, especially in the religion aspect. This difference leads to the emerged problem of whether Samyang instant noodle is safe to consume or not for Indonesian Muslim. The questioning status of halal on Samyang instant noodles by Indonesian people indicates that Indonesia is categorized in a high uncertainty avoidance society. Indonesian people tend to avoid ambiguous or uncertain situations. They prefer to be reassured that the food they will consume is safe and lawful in Islamic Law. Uncertainty in Indonesian people is best to avoid; thus, this kind of problem should have been able to avoid by Samyang Foods. Especially if they intended to expand their market to Indonesia. Since different costumers have different wants based on their cultural background. Therefore, uncertainty avoidance, in this case, play a significant role in the consumption of Samyang instant noodle.

High uncertainty avoidance society in Indonesia leads Indonesian people to be on the side of potentially loyal customers since they have the following indicator of high uncertainty avoidance, customer loyalty. Indonesian people's loyalty to a certain product is shown by their strong preference over certain instant noodle brand, Indomie and Mie Sedaap. Both of the brands can obtain the trust of high uncertain avoidance of Indonesian people. Trust is the most important thing in the high level of uncertain avoidance society. They will always seek trust and will return the trust with strong loyalty even though there is a competitor which has the potential for changing their preference. Although the concept of uncertainty avoidance often criticized for being simplistic, it provides a sufficient starting locus to understand the cultural differences.

Indonesia who is emerging as the biggest instant noodle market in the world also adding the profitable point for Samyang Foods. With the strong loyalty as a consumer and the potential market of instant noodle which is the

specialization of Samyang Foods, obviously should be further consideration of expansion. While the strong competitor such as Indomie and Mie Sedaap exist in Indonesia, Samyang Foods can enter the market with some innovation. For example, Samyang Foods should communicate the problem of halal status with the innovation of instant noodle which suits Indonesian

people's preference as well as combining it with Samyang instant noodle's characteristic. Samyang instant noodle becomes popular in Indonesia due to its spiciness. Thus, all of the aspects above should be a consideration for Samyang Foods before entering the Indonesian instant noodle market.

REFERENCES

Book & Journal

- Al-Bukhari. (1998). *Sahih al-Bukhari bi Hashiyat al-Sindi* (Vol. 4). Beirut: Dar al-Kutub al-'Ilmiyah.
- Ashadi, R. W. (2015). Halal Science: An Introduction. *Journal of Halal Research*, 1, 3-5.
- Cavusgil, S. T. (1998). Knowledge Development in International Marketing. *Journal of International Marketing*, 2, 1033-112.
- Choi, H., & Kim, J. (2006). An Empirical Study of the Effect of Uncertainty Avoidance on Post-Adoption Behavior: Focusing on Mobile Internet Services. *International Journal of Hospitality Management*, 25(2), 211-226.
- Clark, T. (1990). International Marketing and National Character: *A Review and Proposal for an Integrative Theory*. *Journal of Marketing*, 54, 66-79. DOI: 10.2307/1251760.
- Dewi, M. S. (2016, December). *Instant Noodle Boom in Indonesia: A Commodity Chain Analysis Study*. The Hague, Netherlands: International Institute of Social Studies.
- Hancioğlu, Y., Doğan, Ü. B., & Yıldırım, Ş. S. (2014). Relationship between Uncertainty Avoidance Culture, Entrepreneurial Activity and Economic Development. *Procedia - Social and Behavioral Sciences*, 150, 908-916.
- Hofstede, G. (2001). *Culture Consequences: Comparing Values, Behaviors, Institutions, an Organizations Across Nations* (2nd Ed.). The United States of America: Sage Publications, Inc.
- Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. *Journal of Online Readings in Psychology and Culture*, 2(1).
- Khairani. (2018). The Effect of Brand Image and Food Safety on the Purchase Decision of Samyang Noodles Product to the Student of Faculty of Economics and Business of University of North Sumatra Medan. *International Journal on Language, Research and Education Studies*, 2, 266-280.
- Kristjánisdóttir, H., Guðlaugsson, Þ. Ö., Guðmundsdóttir, S., & Aðalsteinsson, G. D. (2017). Hofstede national culture and international trade. *Applied Economics*, 49(57), 1-10. DOI: 10.1080/00036846.2017.1343446
- Kroeber, A. L., & Parsons, T. (1958). The Concept of Culture and Social System. *The American Sociological Review*, 23, 582-583.
- Luthar, V. K., & Luthar, H. K. (2002). Using Hofstede's cultural dimensions to explain sexually harassing behaviours in an international context. *The International*

- Journal of Human Resource Management*, 13(2), 268-284. DOI: 10.1080/09585190110102378
- Matusitz, J., & Musambira, G. (2013). Power Distance, Uncertainty Avoidance, and Technology: Analyzing Hofstede's Dimensions and Human Development Indicators. *Journal of Technology in Human Services*, 31(1), 42-60. DOI: 10.1080/15228835.2012.738561.
- Money, R. B., & Crotts, J. C. (2003). The effect of uncertainty avoidance on information search, planning, and purchases of international travel vacations. *Tourism Management*, 24, 191-202.
- Mooij, M. d., & Hofstede, G. (2010). The Hofstede Model. *International Journal of Advertising*, 29(1), 85-110. DOI: 10.2501/s026504870920104.
- Ndubisi, N. O., Malhotra, N. K., Ulas, D., & Ndubisi, G. C. (2012). Examining Uncertainty Avoidance, Relationship Quality, and Customer Loyalty in Two Cultures. *Journal of International Consumer Marketing*, 24:5, 320-337. DOI: 10.1080/08961530.2012.741477.
- Oliver, R. L. (1999). Whence consumer loyalty? *Journal of Marketing*, 63, 33-44.
- Omar, M. N., Arifin, M., DeenMohdNapiah, M., & Abdullah, M. A. (2012). When Halal and Haram Meet the Haram Prevails?: An Analysis of the Maxim and Its Application in Contemporary Issues. *Australian Journal of Basic and Applied Sciences*, 6(11), 199-205.
- Qu, W. G., & Yang, Z. (2014). The effect of uncertainty avoidance and social trust on supply chain collaboration. *Journal of Business Research*, 1-8.
- Sánchez-Franco, M. J., Martínez-López, F. J., & Martín-Velicia, F. A. (2009). Exploring the impact of individualism and uncertainty avoidance in Web-based electronic learning: An empirical analysis in European higher education. *Computer & Education* 52, 52, 588-598.
- Seo, S., Phillips, W. J., Jan, J., & Kim, K. (2012). The effects of acculturation and uncertainty avoidance on foreign resident choice for Korean foods. *International Journal of Hospitality Management*, 31, 916-927.
- Sillalahi, U. (2009). *Metode Penelitian Sosial*. Bandung: PT. Refika Aditama.
- Tse, K. D., Lee, K.-h., Vertinsky, I., & Wehrung, D. A. (1988). Does Culture Matter? A Cross-Cultural Study of Executives' Choice, Decisiveness, and Risk Adjustment in International Marketing. *Journal of Marketing*, 52, 81-95.
- Tse, P., & Crotts, J. C. (2005). Antecedents of novelty seeking: international visitors' propensity to experiment across Hong Kong's culinary traditions. *Tourism Management*, 26, 965-968.
- Wennekers, S., Thurik, R., Stel, A. v., & Nooderhaven, N. (2007). Uncertainty avoidance and the rate of business ownership across 21 OECD countries, 1976-2004. *Journal of Evolutionary Economics*, 17(2), 133-160.
- Zhang, Y., & Begley, T. M. (2011). Power distance and its moderating impact on empowerment and team participation. *The International Journal of Human Resource Management*, 22(17), 3601-3617. DOI:10.1080/09585192.2011.560877.

Internet

- Berkley Center. (n.d.). *Berkley Center for Religion, Peace & World Affairs*. Retrieved May 10, 2018, from Constitution of South Korea, Article 20: Freedom of Religion: <https://berkleycenter.georgetown.edu/quotes/constitution-of-south-korea-article-20-freedom-of-religion>.
- Da-Sol, K. (2018, January 24). *South Korean spicy ramen craze continues, with halal version to be launched in Indonesia*. Retrieved February 5, 2018, from AsiaOne: <https://www.asiaone.com/food/south-korean-spicy-ramen-craze-continues-halal-version-be-launched-indonesia>.
- Databoks. (2017, January 30). *Indofood Kuasai 71% Pasar Mi Instan di Indonesia*. Retrieved from Databoks: <https://databoks.katadata.co.id/data-publish/2017/01/30/indofood-kuasai-71-pasar-mi-instan-indonesia>.
- Detik Finance. (2017, June 20). *RI Impor Mie Instan, Paling Banyak dari Korea dan China*. Retrieved from Detik Finance: <https://finance.detik.com/berita-ekonomi-bisnis/d-3537073/ri-impor-mie-instan-paling-banyak-dari-korea-dan-china>.
- Hofstede Insight. (n.d.). *Country Comparison*. Retrieved April 18, 2018, from Hofstede Insight: <https://www.hofstede-insights.com/country-comparison/indonesia,south-korea/>.
- Indonesia Investments. (2016, January 19). *Instant Noodles Market Indonesia: Difficult to Compete with Indomie*. Retrieved from Indonesia Investments: <https://www.indonesia-investments.com/news/todays-headlines/instant-noodles-market-indonesia-difficult-to-compete-with-indomie/item6397?>.
- Kemenag. (2016, July 13). *Hukum Online*. Retrieved May 10, 2018, from Pengaturan Sertifikasi Halal bagi Produk Makanan: <http://simbi.kemenag.go.id/halal/assets/collections/newsletter/files/55642ca917160.pdf>.
- Hernitaningtyas, K., Gitomartoyo, W., & Kautsar, M. A. (2018, August 18). *Indonesians & instant noodles: A love affair*. Retrieved February 5, 2018, from The Jakarta Post: <https://www.thejakartapost.com/longform/2018/08/18/indonesians-and-instant-noodles-a-love-affair.html>.
- Murhayati, F. (2017, May 31). *Brand Footprint 2017 Launch*. Retrieved from Kantar: <https://www.kantarworldpanel.com/id/News/Brand-Footprint-2017-Press-Release>.
- Oregon Government. (n.d.). *Hofstede's Cultural Dimensions*. Retrieved February 6, 2018, from Oregon Government: <https://www.oregon.gov/doc/ADMIN/docs/pdf/Diversity%20and%20Inclusion/Cultural%20Dimensions.pdf>.
- Perkins, M. (2019, August 6). *Religion in Indonesia*. Retrieved November 14, 2019, from Learn Religions: <https://www.learnreligions.com/religion-in-indonesia-4588353>.
- Puspita, S. (2017, July 10). *Penjualan Samyang Halal Merosot 30 Persen*. Retrieved May 18, 2018, from Megapolitan Kompas: <https://megapolitan.kompas.com/read/2017/07/10/15364531/penjualan.samyang.halal.merosot.30.persen>.
- World Instant Noodle Association. (2017). *Instant Noodles at a Glance*. Retrieved

February 5, 2018, from World Instant Noodle Association:
<https://instantnoodles.org/en/noodles/report.html>.

Worley, W. (2016, April 13). *What are the largest religious groups around the*

world, and where are they? Retrieved February 6, 2018, from Independent:
<https://www.independent.co.uk/news/world/what-are-the-largest-religious-groups-around-the-world-and-where-are-they-a6982706.html>.